

AIRCRAFT REPAIR STATION SAFETY ACT OF 1997
SENATOR ARLEN SPECTER

Mr. Chairman, I am pleased to have the opportunity today to testify before your subcommittee in support of my legislation, the Aircraft Repair Station Safety Act of 1997. This legislation is designed to address aviation safety concerns which arise out of the proliferation of aircraft repair facilities outside the United States which are used by airplanes that fly within our nation every day. This legislation would change current regulations so that U.S. aircraft are repaired to the maximum extent possible by professional U.S. mechanics, properly trained and supervised, using certified parts. This bill also addresses the critical issue of substandard or uncertified airplane parts, known as "bogus parts."

I am pleased that 14 of my Republican and Democratic colleagues have cosponsored the "Aircraft Repair Station Safety Act of 1997," which is similar to a bill introduced by my colleague from Pennsylvania, Congressman Borski (H.R. 145) which currently has 164 cosponsors.

A key focus for many of us in the 105th Congress is aviation safety. As a member of the Transportation Appropriations Subcommittee, I have worked with my colleagues to ensure that we spend the maximum amount possible on improving our aviation infrastructure for safety purposes, including altogether new runways, runway extension projects, and new generations of radar and landing systems. Air travel is an essential element of our lives, as millions of Americans use airplanes for personal and business trips. Our economy is deeply rooted in the success of our aviation system, which makes it even more critical that we take all necessary steps to enhance aviation safety.

This legislation is intended to address a regulatory loophole created in November, 1988, when the Federal Aviation Administration promulgated new rules which weakened the restrictions on certification for foreign aircraft repair stations. The 1988 changes have resulted in a situation where FAA certification -- the highest seal of approval in the world -- is much too easy to obtain. Prior to those changes, a foreign repair facility had to demonstrate that there was a need to service aircraft engaged in international travel before they could get certified. But now, a station can receive FAA certification for the simple goal of attracting U.S. business. I am advised that repair stations in Tijuana, Mexico and Costa Rica applied for and received FAA certification even

though few expect these locations to become new hubs for international travel. Instead, these facilities are becoming new hubs for taking U.S. jobs and could potentially jeopardize aviation safety because of inadequacies in U.S. regulatory oversight.

One example of where work performed on an aircraft at a foreign facility had significant repercussions within the U.S. was the 1994 engine explosion and fire on a ValuJet plane on the runway at Atlanta's Hartsfield International Airport, which necessitated the evacuation of the 57 passengers. According to media reports, the work was done at a Turkish repair station that lacked FAA approval, and whose shabby business practices included plating over a cracked and corroded compressor disk. Had the explosion occurred in midflight, the results could have been catastrophic.

When the 1988 regulations were adopted, the FAA expected that the number of foreign repair stations it certified would rise from the level of 200 to possibly 300 or 400. I understand that there are now nearly 500 such foreign aircraft repair stations with FAA certification. This comes at a time, however, when the FAA is having enough trouble inspecting domestic repair stations and enforcing aviation safety rules within facilities in the 50 States. I find it hard to believe that the FAA has sufficient resources to adequately investigate problems at the 480 foreign aircraft repair facilities in addition to its U.S. responsibilities.

I am advised that one recent phenomenon is that foreign repair facilities are being used by some U.S. carriers on a contract basis as a means of holding down costs, and some have become what have been termed "virtual airlines" because so little maintenance and repair work is done in-house. Instead of aircraft repair work being done at relatively few sites, countless contractors and subcontractors domestically and abroad are now filling that function.

I would note that the Gore Commission on Aviation Safety and Security stated in its Final Report of February 12, 1997 that:

"Considerable attention has been given to the issue of outsourcing of maintenance and other work, particularly in the wake of the ValuJet crash. The Commission does not believe that outsourcing, in and of itself, presents a problem -- if it is performed by qualified companies and individuals. The proper focus of concern should be on the FAA's certification and oversight of any and all companies performing aviation safety functions, including repair stations

certificated by the FAA but located outside of the United States.”
(Emphasis added.)

A problem is that under the current regulatory framework, foreign aircraft repair stations have not had to demonstrate legitimate need or to meet all the standards and procedures imposed on U.S. stations. For example, I am advised that domestic facilities and their employees must meet rigorous worker surveillance standards including broad drug and alcohol testing requirements. Many other nations seeking to compete do not have these same requirements in place or the same level of enforcement. There is also a discrepancy between the requirement that certain mechanics at a U.S. facility are certified “airmen” and the absence of such a mandate on certified foreign repair stations. One would think that this requirement is important enough to be imposed wherever a plane which flies within our borders is repaired and maintained. Accordingly, this legislation provides that all standards imposed on domestic repair stations and their employees must be imposed on foreign facilities and their employees.

In sponsoring this legislation, I am not attempting to deprive U.S. carriers of access to foreign repair facilities when necessary. Strategically based foreign repair stations have been part of our aviation network since 1949, when it was recognized that such stations were needed for the repair of U.S. aircraft operating outside our airspace. In addition, foreign manufacturers producing FAA-approved air frames or components have traditionally been allowed to support their products. Further, it is my intention that this legislation would not hinder the repair of U.S. aircraft abroad which do not operate within the United States.

This legislation would not change these accepted practices, but would give the FAA the opportunity to revisit this issue by returning the regulations governing the certification of repair stations to what they were before November, 1988. This legislation is aimed at the proliferation of foreign FAA-certified repair facilities which exist to service aircraft that, except for the cheap labor and lower regulatory oversight, would never leave the U.S..

This legislation would also clamp down on the possibility that aircraft repair stations would knowingly use “bogus” parts instead of properly certified parts. The bogus airplane parts trade has become lucrative and gives real cause for concern. The FAA and law enforcement agencies have cracked down in recent years, resulting in 130 indictments across the country as of May, 1997 of people

suspected of being dealers of bogus airplane parts. In one troubling media account, when an American Airlines plane crashed in Colombia in 1995, salvagers extracted valuable components from the plane before even all the bodies were collected and the parts were offered for sale in Miami shortly thereafter. Under this bill, if a facility is found to have knowingly used bogus parts, the FAA will revoke its certification.

In closing, I want to reiterate that the Aircraft Repair Station Safety Act of 1997 is a sensible approach to increased aviation safety. This is more than just a jobs issue; peoples lives and our economy are at stake. At a time when the FAA's resources are stretched thin, I do not believe it is in the public interest to continue to certify foreign aircraft repair facilities which we cannot observe or regulate adequately.

I look forward to working with the members of this Committee, as well as the air carriers which operate under current regulations and whom I hope will support this legislation.